

# ICPS newsletter<sup>®</sup>

## Civil service reforms are being based on public policy

***The society, the government and civil servants themselves have all acknowledged the need to reform the civil service system. People want professional, honest and responsible bureaucrats, the Government wants competent professionals to develop and carry out public policy, and government workers want a decent salary for their work, an unbiased assessment of their performance, and protection against political pressure. The new Concept for a system of civil service legislation defines the main flaws in the current system and proposes ways of eliminating them***

On 3 June 2004, Tymofiy Motrenko, director of the Main Administration of the Civil Service, led an expert roundtable at the International Centre for Policy Studies on a draft Concept for a civil service legislation system. The Concept was put together by the Center for Promoting Institutional Development of the Civil Service with the assistance of experts from the European Union and the World Bank. The proposed Concept is one of the first examples in Ukraine of an attempt to solve issues at the public level by applying public policy procedures and standards: identifying stakeholders and debating key problems, their consequences and their solutions.

This issue presents the key provisions of this Concept and an invitation to participate in improving the new civil service legislative base. *The full text of the draft Concept can be reviewed on the website of the Main Administration of the Civil Service at <http://www.guds.gov.ua>. Propositions from the public should be sent to [infau@guds.gov.ua](mailto:infau@guds.gov.ua) by 1 July 2004.*

### Public interests must be separated from personal ones

One of the main drawbacks in the current civil service noted during the roundtable was the absence of a clear division between areas that fall under public law and those that fall under private law and the unresolved issue of how to prevent conflicts of interest in the civil service.

The new Concept envisages restrictions on those who work in the government. In the course of fulfilling their public duties, civil servants:

- cannot engage in political activities,

- cannot represent the interests of specific political parties, and
- cannot promote their private and personal interests. This includes business activity or facilitating someone else's business by way of taking advantage of their public office.

### Elected officials and civil servants need to be assessed using different criteria

Ukraine's public administration currently does not distinguish between political and professional activities, whereas democratic countries differentiate between the functions and powers of political leaders and civil servants. Elected officials are responsible for political decision-making and adopting state programs; they have the power to establish legislation and regulation. Civil servants perform different tasks:

- They develop and elaborate draft Concepts, programs and regulatory acts for the further consideration of politicians.
- They organize the carrying out of political decisions.
- They uphold the law when providing services.
- They oversee the implementation of standards and norms within legal bounds.

The need for such differentiation arises from the fact that the procedures for selecting and appointing, accountability and subordination, and the assessment of performance are different for politicians and civil servants. As elected

representatives, the former place value on public and legislative trust and the ability to make decisions that respond to public interests and needs. For civil servants, the emphasis is on how well they fulfill their functions according to law, on their professional skills, on adherence to professional ethics and, in particular, maintaining objectivity in evaluating facts, events and proposed measures.

### Always an "apparatchik" or a well-paid professional?

The current system for rising through the ranks of the civil service has many defects, as the selection and promotion of government workers does not consider personal or professional virtues. This contributes to subjective decisions within the system and the low appeal of the civil service to specialists who have three to five years of experience.

In theory, there are two basic models of civil service: career-track (closed) and job-specific (open). The career-track civil service is distinguished by the fact that when applicants are admitted into the service, they are given the lowest posts in a clearly-defined hierarchy. As a rule, admission to the civil service after a certain period of training means a lifetime appointment. The career-oriented model requires fairly narrowly-focused professional training, and work experience is considered to be the main indicator of professional qualification.

The job-specific system looks at its positions much like the private sector: jobs are systematized according to qualifications. In such a model, the benefits for civil servants are reflected in salaries that are competitive with the labor market, and the advantage is given to "universal" civil servants: management specialists with a suitably broad range of skills and knowledge.

Today, it is common practice to apply a combination of the typical features inherent to both models. Among European

countries, none is applying one of the models in its pure form.

## The new ranking system will clearly outline prospects for advancement

The inadequate classification of civil servants violates the principle of “equal pay for equal work,” making it possible to classify government workers into different categories based on the status of the employing organization and not on their actual functions.

The new system of categories and ranks will offer enough incentives for workers to improve their performance and set up a clear and understandable mechanism for building a personal career as a civil servant. The classification of civil servants into specific categories will depend on a list of qualifications—knowledge and skills—that a candidate for the position must possess. Promotion up the career ladder will be on the basis of an objective assessment.

## The civil service does not cover all state-run organizations

In a wider sense, the notion of a civil service means that all those who perform public functions such as providing services are classified as public workers. When this approach is applied, employees at all government bodies financed by the Budget will be subject to civil service legislation. However, no country can keep this huge number of bureaucrats and provide competitive terms of employment relative to the private sector.

Central and Eastern European countries have chosen a narrower concept of civil service that is considered more reasonable for transitional economies. In the majority of countries, the key factor for distinguishing civil servants and public sector employees is exercising powers on behalf of the government. In this narrow sense, the notion of civil service is limited to tasks dealing with the protection of sovereignty and the guarantee of basic human and civil rights and freedoms.

## Government workers should be responsible for their actions

The new Concept proposes instituting liability and regulating it through the law, in particular by establishing the kinds of violations and the procedures by which civil servants will be disciplined for them. Such violations include actions or inactions on the part of a government worker that might damage the country's reputation and undermine trust in public institutions, or contradict legal norms or administrative procedures.

The related penalties will aim at preventing repeat violations and encouraging government workers to properly carry out their duties, within the norms set by law.

## Low salaries attract the inexperienced, the old and the corrupt

Inadequate salary scales fail to ensure that experienced, qualified professionals will stay and that ambitious young people will enter the civil service. Low salaries and a multitude of bonuses foster lack of

transparency in the system of wage payments.

The new Concept suggests dividing salaries into two components: rates of pay related to the position and rank (grade level) and bonuses paid out periodically for exceptional performance. Salaries will be calculated on the basis of objective indicators that are properly reliable and predictable. These criteria can include: average industrial wages, the minimum wage as defined by law, and so on.

## Improving qualifications means developing practical skills

The system of training civil servants needs to have as its aim the formation of a professional government service. It should provide civil servants with the knowledge and skills necessary to fulfill their professional duties, and be optimized in terms of outlays from the Budget.

The current system aims at providing opportunities to obtain a higher-quality post-secondary education and post-graduate degrees. Although there is an area of social sciences known as public administration in the world, real training for the civil service requires the practical knowledge and skills needed for day-to-day activities, not academic knowledge and a profound understanding of public management theory.

## A three-tiered civil service administration system will be introduced

In the new Concept, the key elements of the civil service administration system should be:

- a central executive body responsible for the civil service whose main functions would include developing and implementing government policy regarding the civil service, and overseeing and supervising compliance with civil service legislation;
- an independent peer body whose powers would include determining the competitive selection of civil servants for top positions;
- heads of executive bodies who are, in fact, the top civil servants within these bodies and manage their staff through their organizations' human resources departments.

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### **Tymofiy Motrenko, director, Main Administration of the Civil Service:**

“Everybody is sick and tired the fact that civil servants have a negative image. We want a civil servant to be competent, to be morally upstanding and a guiding light for young people in terms of both status and material standing. We have to aim at getting there by improving the necessary legislation.”

**Ihor Koliushko, director, Center for Political and Legal Reforms:** “Among the positive aspects of this document, first of all, I would like to mention its good methodological approach. This is a good example of a document on the basis of which it will be very easy to write up a draft law. To the list of flaws, I would add a number of points: the declarative nature of competitive selection and subjectivism in selecting

applicants for the civil service. I would also mention the high level of corruption among government workers.”

**Oleksandr Paskhaver, president, Center for Economic Development:** “When we speak about assessing responsibility, I would like to know: are our civil servants responsible for failing to act, for the negative consequences of legal actions, or for failing to identify a problem that has arisen in their area of activity? As long as I don't see these things clearly defined, I'm afraid government workers will not take responsibility for anything. The second question is: where are the open procedures, mandatory openness that cannot be ignored—in activities, in assessments, or in reporting? Still, I would like to say that all the ideas that came up during this meeting show that we have truly become a more mature society.”

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